

Introduced by Senator Leno

February 12, 2015

An act to amend Sections 305, 307, 308, 309.6, 1701.1, 1701.2, 1701.3, and 1701.4 of, and to add Section 305.5 to, the Public Utilities Code, relating to the Public Utilities Commission.

LEGISLATIVE COUNSEL'S DIGEST

SB 215, as introduced, Leno. Public Utilities Commission.

(1) The California Constitution establishes the Public Utilities Commission, with jurisdiction over all public utilities. The California Constitution grants the commission certain general powers over all public utilities, subject to control by the Legislature, and authorizes the Legislature, unlimited by the other provisions of the California Constitution, to confer additional authority and jurisdiction upon the commission that is cognate and germane to the regulation of public utilities. Existing law requires the Governor to designate the president of the commission from among its members and requires the president to direct the executive director, the attorney, and other staff of the commission, except for the Office of Ratepayer Advocates. Existing law authorizes the executive director and the attorney to undertake certain actions if directed or authorized by the president, except as otherwise directed or authorized by vote of the commission.

This bill would repeal the requirement that the president direct the executive director, the attorney, and other commission staff. The bill would delete the authority of the president to direct or authorize the executive director and attorney to undertake certain actions, and would instead require that they be directed or authorized to undertake those actions by the commission. The bill would authorize the commission to delegate specific management and internal oversight functions to

committees composed of 2 or more commissioners and would exempt a meeting conducted by those committees from the Bagley-Keene Open Meeting Act. The bill would require the commission to vote in an open meeting on the assignment or reassignment of proceeding to one or more commissioners.

(2) Existing law requires the commission, upon initiating a hearing, to assign one or more commissioners to oversee the case and an administrative law judge, where appropriate. Existing law requires the assigned commissioner to prepare and issue, by order or ruling, a scoping memo that describes the issues to be considered and the applicable timetable for resolution. Existing law requires the commission, to adopt procedures on the disqualification of administrative law judges due to bias or prejudice similar to those of other state agencies and superior courts.

This bill would require the commission to additionally adopt procedures on disqualification of commissioners due to bias or prejudice similar to those of other state agencies and superior courts. For ratesetting or adjudicatory proceedings, the bill would require a commissioner or an administrative law judge to be disqualified if there is an appearance of bias or prejudice based on specified criteria. The bill would prohibit commission procedures from authorizing a commissioner or administrative law judge from ruling on a motion made by a party to a proceeding to disqualify the commissioner or administrative law judge due to bias or prejudice.

(3) Existing law regulates communications in hearings before the commission and defines “ex parte communication” to mean any oral or written communication between a decisionmaker and a person with an interest in a matter before the commission concerning substantive, but not procedural, issues that does not occur in a public hearing, workshop, or other public proceeding, or on the official record of the proceeding on the matter. Existing law defines “person with an interest” to mean, among other things, a person with a financial interest in a matter before the commission, or an agent or employee of the person with a financial interest, or a person receiving consideration for representing the person with a financial interest. Existing law requires the commission, by regulation, to adopt and publish a definition of the terms “decisionmaker” and “persons” for those purposes, along with any requirements for written reporting of ex parte communications and appropriate sanctions for noncompliance with any rule proscribing ex parte communications.

This bill would define a person involved in issuing credit ratings or advising entities or persons who may invest in the shares or operations of any party to a proceeding as a person with a financial interest. The bill would define “decisionmaker” to include the executive director of the commission, the general counsel of the commission, and the directors of specified divisions of the commission. The bill would require communications between a person with an interest who is not a party to a commission proceeding and a decisionmaker to be reported by the decisionmaker but would not require the communications to be reported by the person with an interest who is not a party to a commission proceeding.

(4) The Public Utilities Act requires the commission to prohibit ex parte communications in adjudication cases. Under existing law, a violation of the Public Utilities Act or any order, decision, rule, direction, demand, or requirement of the commission is a crime.

This bill would require commission to additionally prohibit communications concerning procedural issues in adjudication cases between parties or persons with an interest and decisionmakers, except for the assigned administrative law judge. Because a violation of this prohibition would be a crime, this bill would impose a state-mandated local program.

(5) The Public Utilities Act requires the commission to prohibit ex parte communications in ratesetting cases, except as provided. If an ex parte communication meeting is granted to any party, the commission is required to grant all other parties individual ex parte meetings of a substantially equal period of time and to send a notice of that authorization at the time that the request is granted. The act authorizes the commission to establish a period during which no oral or written ex parte communications are permitted and authorizes the commission to meet in closed session during that period.

This bill would delete the requirement that the commission grant all other parties individual ex parte meetings if an ex parte meeting is granted to a party. The bill would delete the authority of the commission to establish a period during which no oral or written communications are permitted and would delete the authority of the commission to meet in closed session during that period. The bill would also delete related authority of the commission.

This bill would require the commission to additionally prohibit communications concerning procedural issues in ratesetting cases between parties or persons with an interest and decisionmakers, except

for the assigned administrative law judge. Because a violation of this prohibition would be a crime, this bill would impose a state-mandated local program.

(6) The Public Utilities Act requires the commission to permit ex parte communications in quasi-legislative cases without restriction.

The bill would require an ex parte communication to be reported within 3 working days of the communication by filing a “Notice of Ex Parte Communication” with the commission in accordance with the procedures established by the commission for the service of that notice. Because a violation of this reporting requirement would be a crime, this bill would impose a state-mandated local program.

(7) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

(8) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 305 of the Public Utilities Code is
2 amended to read:

3 305. The Governor shall designate a president of the
4 commission from among the members of the commission. The
5 president ~~shall direct the executive director, the attorney, and other~~
6 ~~staff of the commission, except for the staff of the division~~
7 ~~described in Section 309.5, in the performance of their duties, in~~
8 ~~accordance with commission policies and guidelines. The president~~
9 shall preside at all meetings and sessions of the commission.

10 SEC. 2. Section 305.5 is added to the Public Utilities Code, to
11 read:

12 305.5. (a) The commission shall direct the executive director,
13 the attorney, and other staff of the commission, except for the staff

1 of the division described in Section 309.5, in performance of their
2 duties.

3 (b) The commission may delegate specific management and
4 internal oversight functions to committees composed of two or
5 more commissioners. Committees shall meet regularly with staff
6 and shall report to the commission for additional guidance or
7 approval of decisions pertaining to the operations of the
8 commission.

9 (c) A meeting conducted pursuant to subdivision (b) is exempt
10 from the Bagley-Keene Open Meeting Act (Article 9 (commencing
11 with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title
12 2 of the Government Code).

13 (d) The commission shall vote in an open meeting on the
14 assignment or reassignment of any proceeding to one or more
15 commissioners.

16 SEC. 3. Section 307 of the Public Utilities Code is amended
17 to read:

18 307. (a) The commission may appoint as attorney to the
19 commission an attorney at law of this state, who shall hold office
20 during the pleasure of the commission.

21 (b) The attorney shall represent and appear for the people of the
22 State of California and the commission in all actions and
23 proceedings involving any question under this part or under any
24 order or act of the commission. If directed to do so by the ~~president,~~
25 ~~except as otherwise directed by vote of the~~ commission, the
26 attorney shall intervene, if possible, in any action or proceeding
27 in which any such question is involved.

28 (c) The attorney shall commence, prosecute, and expedite the
29 final determination of all actions and proceedings directed or
30 ~~authorized by the president, except as otherwise directed or~~
31 ~~authorized by vote of the~~ commission, advise the commission and
32 each commissioner, when so requested, in regard to all matters in
33 connection with the powers and duties of the commission and the
34 members thereof, and generally perform all duties and services as
35 attorney to the commission that ~~the president, or vote of the~~
36 ~~commission,~~ *commission* may require of ~~him.~~ *him or her.*

37 SEC. 4. Section 308 of the Public Utilities Code is amended
38 to read:

39 308. (a) The commission shall appoint an executive director,
40 who shall hold office during its pleasure. The executive director

1 shall be responsible for the commission's executive and
2 administrative duties and shall organize, coordinate, supervise,
3 and direct the operations and affairs of the commission and
4 expedite all matters within the commission's jurisdiction.

5 (b) The executive director shall keep a full and true record of
6 all proceedings of the commission, issue all necessary process,
7 writs, warrants, and notices, and perform ~~such any~~ other duties as
8 ~~the president, or vote of the commission, prescribes. The president~~
9 *commission prescribes. The commission* may authorize the
10 executive director to dismiss complaints or applications when all
11 parties are in agreement thereto, in accordance with rules that the
12 commission may prescribe.

13 (c) The commission may appoint assistant executive directors
14 who may serve warrants and other process in any county or city
15 and county of this state.

16 SEC. 5. Section 309.6 of the Public Utilities Code is amended
17 to read:

18 309.6. (a) The commission shall adopt procedures on the
19 disqualification of *commissioners and* administrative law judges
20 due to bias or prejudice similar to those of other state agencies and
21 superior courts.

22 (b) (1) *For ratesetting and adjudicatory proceedings, a*
23 *commissioner or administrative law judge shall be disqualified if*
24 *there is an appearance of bias or prejudice based on any of the*
25 *following:*

26 (A) *Actions taken during the proceeding.*

27 (B) *Private communications before the commencement of the*
28 *proceeding to influence the request for relief sought by any party*
29 *to the proceeding.*

30 (C) *Actions demonstrating any commitment to provide relief to*
31 *a party.*

32 (2) *Past work experience by the commissioner or administrative*
33 *law judge shall not be a sufficient basis for demonstrating an*
34 *appearance of bias or prejudice pursuant to paragraph (1).*

35 (c) *The commission procedures shall not authorize a*
36 *commissioner or administrative law judge to rule on a motion*
37 *made by a party to a proceeding to disqualify the commissioner*
38 *or administrative law judge due to bias or prejudice.*

39 ~~(b)~~

1 (d) The commission shall develop the procedures with the
2 opportunity for public review and comment.

3 SEC. 6. Section 1701.1 of the Public Utilities Code is amended
4 to read:

5 1701.1. (a) The commission, consistent with due process,
6 public policy, and statutory requirements, shall determine whether
7 a proceeding requires a hearing. The commission shall determine
8 whether the matter requires a quasi-legislative, an adjudication,
9 or a ratesetting hearing. The commission's decision as to the nature
10 of the proceeding shall be subject to a request for rehearing within
11 10 days of the date of that decision. If that decision is not appealed
12 to the commission within that time period it shall not be
13 subsequently subject to judicial review. Only those parties who
14 have requested a rehearing within that time period shall
15 subsequently have standing for judicial review and that review
16 shall only be available at the conclusion of the proceeding. The
17 commission shall render its decision regarding the rehearing within
18 30 days. The commission shall establish regulations regarding ex
19 parte communication on case categorization issues.

20 (b) The commission upon initiating a hearing shall assign one
21 or more commissioners to oversee the case and an administrative
22 law judge where appropriate. The assigned commissioner shall
23 schedule a prehearing conference. The assigned commissioner
24 shall prepare and issue by order or ruling a scoping memo that
25 describes the issues to be considered and the applicable timetable
26 for resolution.

27 (c) (1) Quasi-legislative cases, for purposes of this article, are
28 cases that establish policy, including, but not limited to,
29 rulemakings and investigations which may establish rules affecting
30 an entire industry.

31 (2) Adjudication cases, for purposes of this article, are
32 enforcement cases and complaints except those challenging the
33 reasonableness of any rates or charges as specified in Section 1702.

34 (3) Ratesetting cases, for purposes of this article, are cases in
35 which rates are established for a specific company, including, but
36 not limited to, general rate cases, performance-based ratemaking,
37 and other ratesetting mechanisms.

38 (4) (A) "Ex parte communication," for purposes of this article,
39 means any oral or written communication between a decisionmaker
40 and a person with an interest in a matter before the commission

1 concerning substantive, but not procedural issues, that does not
2 occur in a public hearing, workshop, or other public proceeding,
3 or on the official record of the proceeding on the matter. “Person
4 with an interest,” for purposes of this article, means any of the
5 following:

6 ~~(A)~~

7 (i) Any applicant, an agent or an employee of the applicant, or
8 a person receiving consideration for representing the applicant, or
9 a participant in the proceeding on any matter before the
10 commission.

11 ~~(B)~~

12 (ii) Any person with a financial interest, as described in Article
13 1 (commencing with Section 87100) of Chapter 7 of Title 9 of the
14 Government Code, in a matter before the commission, or an agent
15 or employee of the person with a financial interest, or a person
16 receiving consideration for representing the person with a financial
17 interest. *A person involved in issuing credit ratings or advising*
18 *entities or persons who may invest in the shares or operations of*
19 *any party to a proceeding is a person with a financial interest.*

20 ~~(C)~~

21 (iii) A representative acting on behalf of any civic,
22 environmental, neighborhood, business, labor, trade, or similar
23 organization who intends to influence the decision of a commission
24 member on a matter before the commission.

25 ~~The~~

26 (B) *Decisionmakers shall include the general counsel, the*
27 *executive director, the director of the Energy Division, the director*
28 *of the Communications Division, the director of the Water Division,*
29 *and the director of the Safety Enforcement Division. The*
30 *commission shall by regulation adopt and publish a definition of*
31 *additional decisionmakers and persons for purposes of this section,*
32 *along with any requirements for written reporting of ex parte*
33 *communications and appropriate sanctions for noncompliance with*
34 *any rule proscribing ex parte communications. The regulation shall*
35 *provide that reportable communications shall be reported by the*
36 *party, whether the communication was initiated by the party or*
37 *the decisionmaker. However, communications between a person*
38 *with an interest who is not a party to a commission proceeding*
39 *and a decisionmaker shall be reported by the decisionmaker in*
40 *accordance with procedures established pursuant to this section*

1 *and shall not be required to be reported by the person with an*
2 *interest who is not a party to a commission proceeding.*
3 Communications shall be reported within three working days of
4 the communication by filing a “Notice of Ex Parte
5 Communication” with the commission in accordance with the
6 procedures established by the commission for the service of that
7 notice. The notice shall include the following information:

8 (i) The date, time, and location of the communication, and
9 whether it was oral, written, or a combination.

10 (ii) The identity of the recipient and the person initiating the
11 communication, as well as the identity of any persons present
12 during the communication.

13 (iii) A description of the party’s, but not the decisionmaker’s,
14 communication and its content, to which shall be attached a copy
15 of any written material or text used during the communication.

16 (C) *An ex parte communication shall not be part of the record*
17 *of any proceeding and shall not be considered, or relied upon, for*
18 *purposes of the commission’s resolution of contested issues.*

19 SEC. 7. Section 1701.2 of the Public Utilities Code is amended
20 to read:

21 1701.2. (a) If the commission pursuant to Section 1701.1 has
22 determined that an adjudication case requires a hearing, the
23 procedures prescribed by this section shall be applicable. The
24 assigned commissioner or the assigned administrative law judge
25 shall hear the case in the manner described in the scoping memo.
26 The scoping memo shall designate whether the assigned
27 commissioner or the assigned administrative law judge shall preside
28 in the case. The commission shall provide by rule for peremptory
29 challenges and challenges for cause of the administrative law judge.
30 Challenges for cause shall include, but not be limited to, financial
31 interests and prejudice. The rule shall provide that all parties are
32 entitled to one peremptory challenge of the assignment of the
33 administrative law judge in all cases. All parties are entitled to
34 unlimited peremptory challenges in any case in which the
35 administrative law judge has within the previous 12 months served
36 in any capacity in an advocacy position at the commission, been
37 employed by a regulated public utility, or has represented a party
38 or has been a party of interest in the case. The assigned
39 commissioner or the administrative law judge shall prepare and
40 file a decision setting forth recommendations, findings, and

1 conclusions. The decision shall be filed with the commission and
2 served upon all parties to the action or proceeding without undue
3 delay, not later than 60 days after the matter has been submitted
4 for decision. The decision of the assigned commissioner or the
5 administrative law judge shall become the decision of the
6 commission if no further action is taken within 30 days. Any
7 interested party may appeal the decision to the commission,
8 provided that the appeal is made within 30 days of the issuance of
9 the decision. The commission may itself initiate a review of the
10 proposed decision on any grounds. The commission decision shall
11 be based on the record developed by the assigned commissioner
12 or the administrative law judge. A decision different from that of
13 the assigned commissioner or the administrative law judge shall
14 be accompanied by a written explanation of each of the changes
15 made to the decision.

16 (b) Notwithstanding Section 307, an officer, employee, or agent
17 of the commission that is personally involved in the prosecution
18 or in the supervision of the prosecution of an adjudication case
19 before the commission shall not participate in the decision of the
20 case, or in the decision of any factually related adjudicatory
21 proceeding, including participation in or advising the commission
22 as to findings of fact, conclusions of law, or orders. An officer,
23 employee, or agent of the commission that is personally involved
24 in the prosecution or in the supervision of the prosecution of an
25 adjudication case may participate in reaching a settlement of the
26 case, but shall not participate in the decision of the commission to
27 accept or reject the settlement, except as a witness or counsel in
28 an open hearing or a hearing closed pursuant to subdivision (d).
29 The Legislature finds that the commission performs both
30 prosecutorial and adjudicatory functions in an adjudication case
31 and declares its intent that an officer, employee, or agent of the
32 commission, including its attorneys, may perform only one of
33 those functions in any adjudication case or factually related
34 adjudicatory proceeding.

35 (c) (1) Ex parte communications shall be prohibited in
36 adjudication cases.

37 (2) *Any oral or written communications concerning procedural*
38 *issues in adjudication cases between parties or persons with an*
39 *interest and decisionmakers, except the assigned administrative*
40 *law judge, shall be prohibited.*

1 (d) Notwithstanding any other law, the commission may meet
2 in a closed hearing to consider the decision that is being appealed.
3 The vote on the appeal shall be in a public meeting and shall be
4 accompanied with an explanation of the appeal decision.

5 (e) Adjudication cases shall be resolved within 12 months of
6 initiation unless the commission makes findings why that deadline
7 cannot be met and issues an order extending that deadline. In the
8 event that a rehearing of an adjudication case is granted, the parties
9 shall have an opportunity for final oral argument.

10 (f) (1) The commission may determine that the respondent
11 lacks, or may lack, the ability to pay potential penalties or fines
12 or to pay restitution that may be ordered by the commission.

13 (2) If the commission determines that a respondent lacks, or
14 may lack, the ability to pay, the commission may order the
15 respondent to demonstrate, to the satisfaction of the commission,
16 sufficient ability to pay potential penalties, fines, or restitution that
17 may be ordered by the commission. The respondent shall
18 demonstrate the ability to pay, or make other financial
19 arrangements satisfactory to the commission, within seven days
20 of the commission commencing an adjudication case. The
21 commission may delegate to the attorney to the commission the
22 determination of whether a sufficient showing has been made by
23 the respondent of an ability to pay.

24 (3) Within seven days of the commission's determination of the
25 respondent's ability to pay potential penalties, fines, or restitution,
26 the respondent shall be entitled to an impartial review by an
27 administrative law judge of the sufficiency of the showing made
28 by the respondent of the respondent's ability to pay. The review
29 by an administrative law judge of the ability of the respondent to
30 pay shall become part of the record of the adjudication and is
31 subject to the commission's consideration in its order resolving
32 the adjudication case. The administrative law judge may enter
33 temporary orders modifying any financial requirement made of
34 the respondent pending the review by the administrative law judge.

35 (4) A respondent that is a public utility regulated under a rate
36 of return or rate of margin regulatory structure or that has gross
37 annual revenues of more than one hundred million dollars
38 (\$100,000,000) generated within California is presumed to be able
39 to pay potential penalties or fines or to pay restitution that may be

ordered by the commission, and, therefore, paragraphs (1) to (3), inclusive, do not apply to that respondent.

SEC. 8. Section 1701.3 of the Public Utilities Code is amended to read:

1701.3. (a) If the commission pursuant to Section 1701.1 has determined that a ratesetting case requires a hearing, the procedures prescribed by this section shall be applicable. The assigned commissioner shall determine prior to the first hearing whether the commissioner or the assigned administrative law judge shall be designated as the principal hearing officer. The principal hearing officer shall be present for more than one-half of the hearing days. The decision of the principal hearing officer shall be the proposed decision. An alternate decision may be issued by the assigned commissioner or the assigned administrative law judge who is not the principal hearing officer. The commission shall establish a procedure for any party to request the presence of a commissioner at a hearing. The assigned commissioner shall be present at the closing arguments of the case. The principal hearing officer shall present the proposed decision to the full commission in a public meeting. The alternate decision, if any, shall also be presented to the full commission at that public meeting. The alternate decision shall be filed with the commission and shall be served on all parties simultaneously with the proposed decision.

The presentation to the full commission shall contain a record of the number of days of the hearing, the number of days that each commissioner was present, and whether the decision was completed on time.

(b) The commission shall provide by regulation for peremptory challenges and challenges for cause of the administrative law judge. Challenges for cause shall include, but not be limited to, financial interests and prejudice. All parties shall be entitled to unlimited peremptory challenges in any case in which the administrative law judge has within the previous 12 months served in any capacity in an advocacy position at the commission, been employed by a regulated public utility, or has represented a party or has been a party of interest in the case.

(c) (1) Ex parte communications are prohibited in ratesetting cases. However, oral ex parte communications may be permitted at any time by any commissioner if all interested parties are invited and given not less than three days' notice. Written ex parte

1 communications may be permitted by any party provided that
2 copies of the communication are transmitted to all parties on the
3 same day. ~~If an ex parte communication meeting is granted to any~~
4 ~~party, all other parties shall also be granted individual ex parte~~
5 ~~meetings of a substantially equal period of time and shall be sent~~
6 ~~a notice of that authorization at the time that the request is granted.~~
7 ~~In no event shall that notice be less than three days. The~~
8 ~~commission may establish a period during which no oral or written~~
9 ~~ex parte communications shall be permitted and may meet in closed~~
10 ~~session during that period, which shall not in any circumstance~~
11 ~~exceed 14 days. If the commission holds the decision, it may permit~~
12 ~~ex parte communications during the first half of the interval~~
13 ~~between the hold date and the date that the decision is calendared~~
14 ~~for final decision. The commission may meet in closed session for~~
15 ~~the second half of that interval.~~

16 (2) *Any oral or written communications concerning procedural*
17 *issues in ratesetting cases between parties or persons with an*
18 *interest and decisionmakers, except the assigned administrative*
19 *law judge, shall be prohibited. However, these communications*
20 *may be permitted in the same manner as described for the ex parte*
21 *communications in paragraph (1).*

22 (d) Any party has the right to present a final oral argument of
23 its case before the commission. Those requests shall be scheduled
24 in a timely manner. A quorum of the commission shall be present
25 for the final oral arguments.

26 (e) The commission may, in issuing its decision, adopt, modify,
27 or set aside the proposed decision or any part of the decision based
28 on evidence in the record. The final decision of the commission
29 shall be issued not later than 60 days after the issuance of the
30 proposed decision. Under extraordinary circumstances the
31 commission may extend this date for a reasonable period. The
32 60-day period shall be extended for 30 days if any alternate
33 decision is proposed pursuant to Section 311.

34 SEC. 9. Section 1701.4 of the Public Utilities Code is amended
35 to read:

36 1701.4. (a) If the commission pursuant to Section 1701.1 has
37 determined that a quasi-legislative case requires a hearing, the
38 procedures prescribed by this section shall be applicable. The
39 assigned administrative law judge shall act as an assistant to the
40 assigned commissioner in quasi-legislative cases. The assigned

1 commissioner shall be present for formal hearings. The assigned
2 commissioner shall prepare the proposed rule or order with the
3 assistance of the administrative law judge. The assigned
4 commissioner shall present the proposed rule or order to the full
5 commission in a public meeting. The report shall include the
6 number of days of hearing and the number of days that the
7 commissioner was present.

8 (b) Ex parte communications shall be ~~permitted without any~~
9 ~~restrictions.~~ *permitted. Any ex parte communication shall be*
10 *reported within three working days of the communication by filing*
11 *a "Notice of Ex Parte Communication" with the commission in*
12 *accordance with the procedures established by the commission*
13 *for the service of that notice.*

14 (c) Any party has the right to present a final oral argument of
15 its case before the commission. Those requests shall be scheduled
16 in a timely manner. A quorum of the commission shall be present
17 for the final oral arguments.

18 (d) The commission may, in issuing its rule or order, adopt,
19 modify, or set aside the proposed decision or any part of the rule
20 or order. The final rule or order of the commission shall be issued
21 not later than 60 days after the issuance of the proposed rule or
22 order. Under extraordinary circumstances the commission may
23 extend this date for a reasonable period. The 60-day period shall
24 be extended for 30 days if any alternate rule or order is proposed
25 pursuant to Section 311.

26 SEC. 10. No reimbursement is required by this act pursuant to
27 Section 6 of Article XIII B of the California Constitution because
28 the only costs that may be incurred by a local agency or school
29 district will be incurred because this act creates a new crime or
30 infraction, eliminates a crime or infraction, or changes the penalty
31 for a crime or infraction, within the meaning of Section 17556 of
32 the Government Code, or changes the definition of a crime within
33 the meaning of Section 6 of Article XIII B of the California
34 Constitution.

35 SEC. 11. The Legislature finds and declares that Section 2 of
36 this act, which adds Section 305.5 to the Public Utilities Code,
37 imposes a limitation on the public's right of access to the meetings
38 of public bodies or the writings of public officials and agencies
39 within the meaning of Section 3 of Article I of the California
40 Constitution. Pursuant to that constitutional provision, the

- 1 Legislature makes the following findings to demonstrate the interest
- 2 protected by this limitation and the need for protecting that interest:
- 3 (a) The limitations are reasonable in light of the need for the
- 4 Public Utilities Commission to manage its internal affairs in a
- 5 manner that allows all commissioners to fully participate.
- 6 (b) The specific management and internal oversight functions
- 7 addressed by this limitation do not involve determinations of law
- 8 or policy that would bias the outcome of pending proceedings or
- 9 harm the public interest.
- 10 (c) In order to ensure the effective functioning of the
- 11 commission, this act is necessary.

O